

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:

Nooksack Branch
Nooksack, Washington 98276
(City of Nooksack, Petitioner)

Docket No. A2011-17

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO BENCH REQUEST DURING September 8, 2011 HEARING
(September 9, 2011)**

During the hearing in PRC Docket N2011-1 on the Postal Service direct case, Commissioners read from the bench specific concerns on which comments by the Postal Service were thereby solicited. This pleading provides responsive comments.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
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September 9, 2011

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO QUESTIONS POSED DURING SEPTEMBER 8, 2011 HEARING**

Tr. Vol. 1, pages 566-74:

Does the Nooksack Branch appeal involve a misuse of the suspension process?
How was the public interest served by Postal Service actions in this appeal?

RESPONSE:

Suspension and discontinuance of the Nooksack Branch were consistent with applicable regulations and procedure. Customers had advance notice of suspension upon termination of the lease, as demonstrated by that fact that the initial Petition was filed 12 days before it took effect. However, that is not to say that everything concerning suspension and discontinuance of the Nooksack Branch followed an optimal path or one that should be emulated. Pleadings filed in this docket were also filed in good faith based upon knowledge then available to the Postal Service, or to counsel. Notwithstanding, this case provides a lesson in how internal communication, and communication involving customers, can be improved.

First, of course, the Postal Service is obliged to note that the Nooksack Branch is not a Post Office, and as the Commission well understands the Postal Service takes the position that the regulations applicable to the discontinuance of a Post Office do not apply. Discontinuance of the Nooksack Branch is also one of the last that will not entail application of the revised and updated discontinuance process about which the Commissioners heard a great deal in yesterday's hearing.

Operations at the Nooksack Branch were suspended on May 28, 2011, upon termination of the lease. Customers were asked to choose whether replacement delivery service would be via rural carrier delivery to roadside

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO QUESTIONS POSED DURING SEPTEMBER 8, 2011 HEARING**

receptacles or Cluster Box Units (CBUs), or via P.O. Box at a nearby facility.

The physical P. O. Box section was relocated from the Nooksack Branch to the Everson Post Office and efforts were made to minimize address changes for box customers. (In this instance, those efforts were flawed, as discussed below.)

Customers who previously obtained services at the Nooksack Branch are now being served by rural route carrier and P.O. Box delivery at the Everson Post Office. By July 1, 2011, cluster box units were installed to accommodate all Nooksack Branch customers who chose to establish street delivery.

The procedures followed were suboptimal in that CBUs were not in place at the time of suspension. Petitioner managed to compound this challenge by expressing interest in both P.O. Box and CBU delivery, an option that was not offered. Most customers successfully navigated this decision and picked up their mail without difficulty, regardless of which option each chose.

The Commission should understand that the story presented by Petitioner was misleading, apparently intending to leave the impression of greater confusion locally than customers actually experienced.¹ All customers had access both to their mail and to any needed retail service at all times prior to the suspension of operations, after suspension, after formal discontinuance, and continuing up through today. **That** is how the public interest was served in Nooksack.

¹ Since the Commission is limited in a section 404(d) proceeding to review of the final determination based on the administrative record compiled and relied upon by the Postal Service, petitioners' extra-record claims of fact do not usually warrant attention beyond the arguments they pose germane to the three statutory grounds for review. That practice was followed in this docket, except that the Postal Service chose not to ignore information requests by the Commission.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO QUESTIONS POSED DURING SEPTEMBER 8, 2011 HEARING**

The first Postal Service procedural step in this docket was the filing of a reply to Petitioner's motion to suspend discontinuance (accompanied by a motion for late acceptance). Later that same day, after counsel was first advised that operations had merely been suspended, not discontinued; the Postal Service promptly filed another pleading sharing this key fact to the Commission. Four days later, a motion to dismiss also relying upon the fact that operations were suspended, not discontinued, was filed by the Postal Service. Operations in the Nooksack Branch remained suspended when the Postal Service filed its motion to dismiss on May 31, 2011, and the administrative record on July 1, 2011. The administrative record reflects that the Nooksack Branch had not been discontinued, consistent with the absence of a final determination within.

The final determination was signed on July 11, 2011, and that might be the date the Nooksack Branch was discontinued were it subject to the appeal process. The Postal Service informed the Commission of the signed final determination in its response to Commission Order No. 829.

Contrary to Petitioner's claims, the Postal Service has always undertaken efforts to ensure that customers in the Nooksack community have access to retail and delivery postal services. For example, local Postal Service representatives stayed focused upon issues related to the Nooksack community's access to postal services, and attempted to resolve these issues. Most recently on August 15, 2011, local Postal Service representatives met with the Nooksack Mayor to discuss the community's concerns and any suggestions for improving the service provided to the community.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO QUESTIONS POSED DURING SEPTEMBER 8, 2011 HEARING**

The service issues alleged by the Nooksack Mayor arose because of duplicate addresses in the city of Everson and the City of Nooksack using the same ZIP Code. Ideally, this happenstance should not have been allowed to occur. But duplicate address issues do arise from time to time, in discontinuance matters and in others. In all such circumstances, postal officials focus upon and resolve such issues to customers' satisfaction, as occurred in Nooksack. In this instance, Postal Service enthusiasm for avoiding the need for customers to change addresses created the problem. This has been resolved and the Petitioner is fully aware of the corrective action.

The Postal Service understands that the change in the Nooksack Branch's status may have caused confusion. But the Postal Service's action is consistent with the Commission's previous statements encouraging quick resolution of the status of suspended offices, and the Commission should recognize that rejection of the Postal Service's timely actions to resolve this matter would conflict with its earlier statements.

In this case, even assuming that the appeal was within the jurisdiction of the Commission, it would have logically been dismissed as premature, because it predated the issuance of a final determination, as the facility was only suspended when the appeal was lodged.

The abbreviated procedures for discontinuance of a station/branch were, however, concluded with surprising expedition. While the Commission has generally urged the Postal Service to resolve the status of suspended facilities

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO QUESTIONS POSED DURING SEPTEMBER 8, 2011 HEARING**

more quickly, the form of expedition in Nooksack will not occur under the rules made effective three days after the Nooksack Final Determination was signed.

Should the Commission conclude that some further communication with customers is called for based on its review of the Nooksack Branch suspension and discontinuance, the Postal Service would be prepared to consider any such request carefully. However, the Postal Service does understand that former Nooksack customers have, with assistance of local postal officials, worked through all the transitional issues and that customers are reasonably satisfied with their access to retail and delivery services today.